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California Cling Peach Association

October 27, 2003

The Honorable William M. Thomas  
Chairman Committee on Ways and Means  
U.S. House of Representatives  
Washington, D.C. 20515

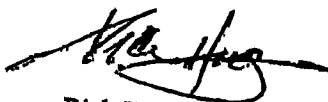
Dear Mr. Chairman:

On behalf of the California cling peach industry, we are writing to support H.R. 2896, the "American Jobs Creation Act of 2003," as a way of resolving the Foreign Sales Corporation dispute, while providing some tax relief to small U.S. corporations, including agriculture-based entities.

As you know, our industry's 700 growers and 4 processors are facing severe economic conditions made worse by continued marketplace distortions caused by subsidized low-priced foreign production. Today we face the prospect of even more low-priced competition in the U.S. market as U.S. tariffs get eroded by free trade initiatives the United States is negotiating with cling peach producing countries. Those initiatives include the recently concluded FTA with Chile and the on going negotiations with Australia and South Africa.

We appreciate your continued strong support for California agriculture, including the highly import-sensitive U.S. cling peach sector.

Sincerely,



Rich Hudgins  
President & CEO

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